

# Discretely Presented Component Units



## Highway 65 – Faulkner County

Improving the alignment of the highway was one of the benefits of widening Highway 65 from Greenbrier to Damascus, including this new bridge crossing Cadron Creek.





## DISCRETELY PRESENTED COMPONENT UNITS

Component Units are those entities which are legally separate government organizations for which the State's elected officials are financially accountable, or other organizations for which the nature and significance of their relationship with the State are such that exclusion would cause the State's financial statements to be misleading. Discretely Presented Component Units consist of the following:

***Arkansas Student Loan Authority*** - ASLA provides guaranteed educational loans to Arkansas students attending eligible post secondary institutions, and serves as a secondary market and liquidity provider to Arkansas lending institutions which originate guaranteed student loans.

***Arkansas Development Finance Authority*** - ADFA provides financing through the issuance of taxable and tax-exempt bonds for housing, industry, local governments, education, agricultural enterprise, health care, infrastructure projects, jails and prisons. ADFA also offers direct loans for housing, small minority businesses, agriculture and exporting.

## Discretely Presented Component Units Combining Balance Sheet

June 30, 1999

(Expressed in Thousands)

	Arkansas Student Loan Authority	Arkansas Development Finance Authority	Total
ASSETS:			
Cash and cash equivalents	\$ 97	\$ 155,841	\$ 155,938
Investments	33,331	887,890	921,221
Receivables, net:			
Accounts		3,703	3,703
Loans	195,442	409,203	604,645
Investment related	3,230	8,749	11,979
Fixed assets, net	20	475	495
Other assets	<u>3,925</u>	<u>91,455</u>	<u>95,380</u>
TOTAL ASSETS	<u>\$ 236,045</u>	<u>\$ 1,557,316</u>	<u>\$ 1,793,361</u>
LIABILITIES AND RETAINED EARNINGS:			
Liabilities:			
Accounts payable	\$ 3,933	\$ 2,576	\$ 6,509
Accrued and other liabilities		56,623	56,623
Revenue bonds payable	219,781		219,781
Special obligation bonds payable	<u></u>	<u>1,376,337</u>	<u>1,376,337</u>
Total Liabilities	<u>223,714</u>	<u>1,435,536</u>	<u>1,659,250</u>
Retained earnings:			
Unreserved	12,331	40,473	52,804
Reserved for bond programs	<u></u>	<u>81,307</u>	<u>81,307</u>
Total Retained Earnings	<u>12,331</u>	<u>121,780</u>	<u>134,111</u>
TOTAL LIABILITIES AND RETAINED EARNINGS	<u>\$ 236,045</u>	<u>\$ 1,557,316</u>	<u>\$ 1,793,361</u>

# Discretely Presented Component Units

## Combining Statement of Revenues, Expenses and Changes in Retained Earnings

For the Fiscal Year Ended June 30, 1999

(Expressed in Thousands)

	Arkansas Student Loan Authority	Arkansas Development Finance Authority	Total
OPERATING REVENUES:			
Investment earnings	\$ 16,326	\$ 81,198	\$ 97,524
Other	<u>889</u>	<u>291</u>	<u>1,180</u>
Total Operating Revenues	<u>17,215</u>	<u>81,489</u>	<u>98,704</u>
OPERATING EXPENSES:			
General and administration	517	18,800	19,317
Interest	10,009	90,806	100,815
Other	<u>3,919</u>	<u>          </u>	<u>3,919</u>
Total Operating Expenses	<u>14,445</u>	<u>109,606</u>	<u>124,051</u>
Operating Income (Loss)	<u>2,770</u>	<u>(28,117)</u>	<u>(25,347)</u>
NON-OPERATING REVENUE -			
Grants, entitlements and shared revenues	<u>          </u>	<u>17,182</u>	<u>17,182</u>
Total Non-operating Revenue	<u>          </u>	<u>17,182</u>	<u>17,182</u>
NET INCOME (LOSS)	<u>2,770</u>	<u>(10,935)</u>	<u>(8,165)</u>
RETAINED EARNINGS AT BEGINNING OF YEAR, AS ADJUSTED	<u>9,561</u>	<u>132,715</u>	<u>142,276</u>
RETAINED EARNINGS AT END OF YEAR	<u>\$ 12,331</u>	<u>\$ 121,780</u>	<u>\$ 134,111</u>

## Discretely Presented Component Units Combining Statement of Cash Flows

For the Fiscal Year Ended June 30, 1999

(Expressed in Thousands)

	Arkansas Student Loan Authority	Arkansas Development Finance Authority	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Operating income (loss)	\$ 2,770	\$ (28,117)	\$ (25,347)
Adjustments to reconcile operating income (loss) to cash provided (used) by operating activities:			
Depreciation, accretion and amortization, net	571	(4,671)	(4,100)
Provision for arbitrage rebate	600		600
Net depreciation on investments		24,508	24,508
Provision for loan loss		380	380
Changes in operating assets and liabilities:			
Accounts receivable		5,679	5,679
Loans receivable	(18,017)	96,530	78,513
Investment related receivable	(419)	(2,502)	(2,921)
Other assets	(129)	374	245
Accounts payable and accrued expenses	(93)	(47,660)	(47,753)
Other liabilities		(1,318)	(1,318)
Net Cash (Used) Provided by Operating Activities	<u>(14,717)</u>	<u>43,203</u>	<u>28,486</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:			
Proceeds from issuance of bonds		337,816	337,816
Repayment of bonds	(11,150)	(350,221)	(361,371)
Payment of debt issuance costs		(2,305)	(2,305)
Collection of financing fees		<u>1,250</u>	<u>1,250</u>
Net Cash Used by Non-capital Financing Activities	<u>(11,150)</u>	<u>(13,460)</u>	<u>(24,610)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES -			
Proceeds from grants, entitlements and shared revenues		<u>17,182</u>	<u>17,182</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Purchase of investments	(2,335)	(987,770)	(990,105)
Proceeds from sales and maturities of investments	28,251	883,268	911,519
Lease payments received		<u>9,825</u>	<u>9,825</u>
Net Cash Provided (Used) by Investing Activities	<u>25,916</u>	<u>(94,677)</u>	<u>(68,761)</u>
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	49	(47,752)	(47,703)
CASH AND CASH EQUIVALENTS - BEGINNING OF YEAR	<u>48</u>	<u>203,593</u>	<u>203,641</u>
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 97</u>	<u>\$ 155,841</u>	<u>\$ 155,938</u>

